

Additional information

What are unlicensed online trading platforms?

MAS licenses certain online trading platforms that offer investment products that are regulated under the Securities and Futures Act (SFA). These products include shares, debentures, leveraged foreign exchange, futures and exchange-traded funds. Trading platforms that are licensed by MAS adhere to regulatory safeguards such as disclosure requirements on investment products that are offered to consumers. Regulated platforms are also subjected to conduct rules, to ensure that they deal fairly with their customers. Such safeguards protect investors' monies and assets when they are dealing with financial institutions.

Some online trading platforms are operated by entities which are neither licensed nor regulated by MAS. These unlicensed platforms engage consumers via online advertisements, unsolicited phone calls, emails or messaging apps. In some instances, events or seminars are conducted to promote the platform. Existing customers are also offered commission to entice new customers to trade on the platforms.

Steps consumers should take to protect themselves

Before committing to an investment, consumers should always ASK, CHECK and CONFIRM to avoid any potential scams.

- **ASK:** Ask as many questions as you need to fully understand the investment opportunity. If the company is unable to, or avoids answering any of your questions, be wary!
 - Visit the Moneysense website (<https://www.moneysense.gov.sg>) on what to look out for when assessing if you are dealing with an unregulated entity or person.
- **CHECK:** Check on the company, its owners, directors and management members to assess if the opportunity is genuine
- **CONFIRM:** Confirm the company's and representatives' credentials by using available resources, including:
 - Financial Institutions Directory – a list of financial institutions regulated by MAS and the regulated activities they are authorised to provide (<https://eservices.mas.gov.sg/fid>)
 - Register of Representatives – a list of individuals who conduct activities regulated by MAS. This list is available on the MAS website (<http://www.mas.gov.sg>)

- Investor Alert List – a list of persons unregulated by MAS who may have been wrongly perceived as being licensed or authorised by MAS (<http://www.mas.gov.sg/ial>)
